



Winter 2003

Inside Scoop

Spanos Park West Place

In just one year there has been a complete transformation from undeveloped land to a major retail development project. Situated on the west side of Interstate 5 along Eight Mile Road, Park West Place, at final build-out, will be a major retail power center with over 700,000 s.f. of shopping. Park West Place is presently under construction and is on track for a spring 2004 opening.

Target and Kohl's will anchor Park West Place, with Borders bookstore, Bed Bath & Beyond, Petsmart, Ross, Dress Barn, Famous Footwear, Babies R Us, Party City, Payless Shoe Source, Lane Bryant, and La-Z-Boy adding to the total shopping experience.

Target plans to keep their existing store on March Lane open in addition to the 125,000 square foot store under construction in Park West Place. Kohl's, which is new to the California department-store market, is building an 88,000 square foot facility. Both stores are expected to open by March of this year.

Several financial institutions will also be locating to the center, including Bank of America, Wells Fargo, and Washington Mutual. New dining options will be a part of the development. Fazoli's, Wendy's, Panera Bread, and Starbucks are currently signed on and additional restaurants are under consideration. Beverages and More and an Arco gas station are also planned for the site.

Phoenix-based Kitchell Development Company, which specializes in retail power centers, is developing the Park West Place center. According to Marne Boullion, Director of Design/Construction and Lisa Carter, CCIM Development Manager with Kitchell, "Working with the City of Stockton has been an invigorating team effort, a good fit...the right mix! The collaborative effort between



AG Spanos Business Park

Spanos Companies, Kitchell and City of Stockton has been fantastic. While the city agencies are tough and stick to the vision of planned growth, they have been supportive, positive and have seen to the individual needs of the project... they held on to the big picture with exceptional competence and insight.

According to Steve Carrigan, Economic Development Director for the City of Stockton, "Park West Place is not only going to provide a host of new shopping and dining options for the people of Stockton, but it will also create hundreds of new jobs and generate over \$3 million per year in sales tax revenue to the City."



Marne Boullion



AG Spanos Business Park

Inside Scoop CONTINUED...

Park West Place

In addition to the new retail power center, A.G. Spanos Companies is constructing a 150,000 square foot, five-story office building that will serve as their new headquarters. The upper floors will be



Jim Panagopolous

occupied by Spanos Companies with the remaining space being leased out. The office building is expected to be completed by the spring with tenants anticipated to be doing business by summer 2004. According to Jim Panagopolous, A.G. Spanos Companies Vice President, "This office complex will be

another part of the retail, commercial mosaic."

Spanos Park West is a master planned community that includes over 3,000 acres of mixed use including, upscale homes, market-rate apartment units, a PGA rated 18-hole golf course with a newly constructed community center, as well as retail and office space. "The overall pace and market demand for Spanos Park West is overwhelming," says Panagopolous. He sees Spanos Park West as "long-term good for Stockton and the region."

Save The Date

February 13 -- The US Economic Development Administration (EDA) and the Economic Development Information Coalition will be presenting 20 forums across the country in 2004. The Stockton forum will be held at the University of the Pacific from 8:30 am to 4:30 pm. Speakers include Assistant Secretary of the Department of Commerce for the EDA, Dr. David A. Sampson. Topics include competing globally, growing regionally, rural development, creating jobs, university forged partnerships and EDA training. The forum is free of charge, but registration is required. For more information, contact the NADO Research Foundation at 202/624-7806 or visit the online registration at www.nado.org

February 25 -- The Sixth Annual State of the City is an informative annual update on the progress of the City of Stockton. Presentations and exhibits showcasing local organizations and businesses will be provided. The event will take place at the Port of Stockton beginning at 10:30 a.m. Lunch, which will be catered by Outback Steakhouse, will be served at noon. Call the Stockton Chamber of Commerce at 547-2764 to register.

Information

New Restaurant

California Pizza Kitchen

"We call it our canvas, and the art is in our toppings." SO TRUE! California Pizza Kitchen is not your typical run of the mill "Pizza Place". The first one opened in 1985 and the goal remains to translate America's favorite flavors and tastes onto a great pizza crust. The result has been a complete redefinition of the traditional concept of pizza, all are gourmet style and individually sized.

Along with the traditional favorites there are such creative renditions as Pear & Gorgonzola (Delicious!), Peking Duck, Vegetarian with Japanese Eggplant, Jamaican Jerk Chicken, just to name a few! There are traditional Italian-style pizzas which are thin and crisp, Pasta dishes which are 'round the world tastes. Focaccia, Sandwiches, Soups, Salads and an appetizer list which is accompanied by an extensive wine list, beers, beverages and specialty coffees and teas, all leading up to a mouth watering dessert selection.

Bob Burns, the manager of the Stockton California Pizza Kitchen, said, "If our employees are very, very happy, our guests will be very, very happy." There are about 90 employees and they all seem to be up beat and interested in the business, striving to provide excellent service. California Pizza Kitchen is new to this area and is located next to Barnes & Noble at the Weberstown Mall.



InHouse

Welcome Bob Bressani



The City's Economic Development Division would like to introduce its newest member to the team...Bob Bressani. Bob transferred from the City's Housing & Redevelopment Department to join the Economic Development staff as a Program Manager. Bob will assist companies with the development of their commercial projects, guiding them through the permit process and providing valuable incentive information. He will also assist with business attraction and retention.

Industry

Golden State Lumber

Golden State Lumber, a family-owned building material supplier, recently opened a state-of-the-art lumber distribution, sales, and manufacturing facility on 75 acres at the northeast corner of Airport Way and Ralph Avenue in South Stockton. Golden State also has facilities in San Rafael, Brisbane, and Newark.

This \$8.5 million project is being constructed in multiple phases. Phase I of the project is complete and includes a storage facility, office space, maintenance shop, a milling operation, and a facility to assemble prefabricated residential wall panels. Phase II will include a 40,000 square foot hardware distribution center and showroom, with phase III consisting of a 50,000 square foot truss manufacturing plant. Once completed, the new facility will total 300,000 square feet.

"The City and its entities have been supportive and have approached the project with team work and open communication," says Wayne Withers, President of Golden State Lumber.

The Petaluma-based company is relocating its American Canyon facility to the new Stockton center and plan to expand its manufacturing operation. The move to Stockton will allow fast delivery of materials to customers in the Bay Area, as well as the Central Valley, from Sacramento to Bakersfield.

Lee Nobmann, Golden State Lumber owner and CEO, cited abundant and inexpensive land, reduced labor costs, and excellent transportation channels as reasons for the move. He also noted that the City's Enterprise Zone was an important factor in the move, allowing the company to take advantage of huge tax credits for new hires.



Golden State Lumber has one of the largest building material inventories in the United States with over 16,000 different items in stock, including decking, doors, drywall, fencing, windows, hardware, and just about anything needed to construct a house. Stockton is the ideal location for Golden State Lumber, which will benefit from the ongoing housing boom in the Central Valley. The company projects close to \$100 million in sales at the Stockton facility, translating into \$500,000 in sales tax revenue for the City.



Withers indicated that 50 new employees have been hired, with 100 additional new hires expected by August 2004. Once the project is completely built out, approximately 300 employees are anticipated.

"The work is interesting and always changing...our biggest resource is the people," he said.

"I'm excited about Stockton," Nobmann said. "I think there is a lot of opportunity there...I think it's a very attractive city."

Golden State Lumber, founded in 1954, is committed to the environment. As of 2004, all of their wood products will be 100% arsenic free.

IDI Warehouse/Center Pointe

Stockton Center Pointe hosted a Grand Opening Ceremony in November at the new 513,778 square foot facility located at 3610 Airport Way in Stockton. The festive event was to announce the completion of Building A. At build-out, the Stockton Center Pointe master plan calls for more than 3 million square feet of warehouse space. The building features an attractive corporate identity with a generous fenced parking area.

The location is ideally situated between Interstate 5 and Highway 99 at Airport and Zephyr Streets. It is also located within the Stockton/San Joaquin Enterprise Zone, which offers substantial tax credits and local incentives.

Stockton Center Pointe and IDI provide speculative buildings, build-to-suit capabilities, and finished sites for sale within a 208 acre master-planned business center.



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InCentive

Economic Development Grant

The City of Stockton, in partnership with the Magnolia Advisory Group, was awarded a \$5,000 Local Economic Development grant from Pacific Gas & Electric (PG&E). The grant will be used to fund the development of a Magnolia/Midtown Business Marketing Plan that will be geared towards attracting new businesses and creating jobs for residents in this district. The Magnolia/Midtown consists of 66 City blocks bound by Miner Avenue on the south and Harding Way to the north. This historic area is home to University Park - an education-dominated, mixed-usage community being developed by The Grupe Companies. The site currently houses CSU - Stanislaus - Stockton Center and will include retail, apartments, and approximately 450,000 s.f. of office space.

Utility Tax Rebate

It's time to apply for the City's Utility Tax Rebate Program. If your business has 100 or more employees and is located within the Stockton/San Joaquin Enterprise Zone or an MX (Mixed Use) Zoned District you may qualify for a utility tax rebate. Applications are available via the city's website at www.stocktongov.com/business/business.htm or by calling Anita Armendariz at (209) 937-8907. The deadline to apply for the rebate is February 28, 2004.

InFluence

2003 Industrial BBQ Honorees

Company	Industrial Park	Location	Type of Business	Jobs	Square Footage	Capital Investment
Crown Bolt	Massie	Industrial Dr. @ "B" St	Mfg/Dist Bolts	100/150	195,300	\$6.5 million
Custom Building Products	Central Valley	Zephyr Ct.	Tile Installation Products / "Wonderboard"	30	Existing Building	\$1+ million
Golden State Lumber	Central Valley	Ralph @ Airport	Wood Treatment/ Distribution Facility	300	300,000	\$8.5 million
KFM (Kiewit Pacific)	Port Area	North Channel @ Fremont	Bay Bridge Components	150	Batch Plant	\$1.2 const. val. \$15 million equip \$1.1BILLION Bay Bridge Contract
Kustom Materials Laminators	Port of Stockton	Rough & Ready	Laminate Particleboard	20	Existing Building	Unknown
Pacific Intl. Steel	COUNTY Fairchild	Navonne Rd.	Steel - Supplies Simpson Strong-Tie			
Tamura Corp	Central Valley	Zephyr Ct.	HI-TECH Electronic components	10-20	Existing 54,000 s.f. Building	
Tri-MAP International	Grupe	Val Dervin	HI-TECH Computer Components	10	Existing 36,000 s.f. Building	T.I. \$1.2 million
Value Products	Massie	Industrial Dr.	Detergent Mfg.	30	Existing 32,940 s.f. Building	T.I. \$530,000

EXPANDED COMPANIES

Company	Industrial Park	Location	Type of Business	Jobs	Square Footage	Capital Investment
Dollar Tree	Airport Gateway	Runway Dr.	Distribution		Addn 216,490 s.f.	\$10 million
Martin Brower	Arch Road	Fite Court	McDonald's Supplier	30	145,729 s.f.	\$6.9 million
Unifirst Corp.	Downtown	El Dorado @ Flora	Commercial Laundry	120	40,000 s.f.	\$2 million

Facade Improvement Grant Program

The Stockton City Council adopted the Facade Improvement Grant Program to assist downtown property owners in making exterior, cosmetic improvements to commercial buildings. This includes new paint, awnings, windows and storefront entrances.

Property owners are eligible for up to \$20,000 per 50 lineal feet of frontage. \$10,000 is available at no cost to the property owner, with an additional \$10,000 available on a dollar-for-dollar matching basis. Corner properties are automatically eligible for two "increments". There is a \$250 application fee. Funds are granted in the form of a loan with a lien placed against the building which is forgiven after five years if the property is kept free of graffiti and blight.

In December 2003, the City Council expanded the boundary of the facade program to include:

- East Main Street from Wilson Way to Highway 99
- West Fremont Street to the West of Interstate 5 to Ryde
- Charter Way from Interstate 5 to Airport Way
- California Street from Park Street to Harding Way
- El Dorado Street from Park Street to Harding Way

By expanding the area, the City hopes that more business owners will take advantage of the program and improve the exterior of their building. Having a clean storefront, good lighting, attractive landscaping, and property free of graffiti and litter are all helpful in attracting customers. Contact Janice Miller at (209) 937-8862 for more information.

InNovation

City Centre Cinema 16



City Centre Cinemas, located on the corner of El Dorado & Miner (222 North El Dorado), is 100,000 square feet of entertainment! Sixteen (16) screens, 3,400 seats in a state-of-the-art 71,000 square foot theater setting. Included as an additional amenity is 18,000 s.f. of retail space which will feature such eateries as Starbucks, Cold Stone Creamery, MooMoos and more!

A 55,000 square foot Plaza with trees, fountains, advanced lighting (featuring color changing fiber optics), and an impressive Rotunda, with a breathtaking dome of glass 55 feet high and 80 feet in diameter, serves as a focal point and gathering place. An amazing sight to see! The plaza area separates two sections of retail space and covered open air space.

This first class movie theater is the driving force for other equally exciting projects planned to turn the core of Stockton around. It is a thrilling prospect which sets the bar high for future revitalization efforts in Downtown Stockton! Its time has come!

Edward Barkett, President of Atlas Properties, said "The City has been good to work with!" "The people from Signature Theatres are involved and are amazed at the City involvement."

Anthony Barkett Esq, a partner, said "This Mayor and Council have engaged local people to make the community better. We are here, we feel it!"

When it comes to encouraging people to visit downtown, the conscious and obvious efforts to assure a sense of safety and security have been a major focus. The friendly, knowledgeable Downtown Alliance Guides, the Bike Patrol Officers, as well as the vigilant shop owners and business people have created a safe environment! As added security, the Signature Staff have installed a surveillance system which

has a two block radius, with eight cameras located on the building.

According to the Barketts, "We know it is safe now, but we are making it even safer...we are going overboard to make people feel comfortable here!"

In an effort to help achieve the more futuristic approach to healthy, satisfying life styles, the pedestrian mode is the way to get people up, out and ready to see and do things. It is also an answer to the ever present problem of parking. We are accustomed to driving, parking in relative convenience, completing our business and driving away. As our communities grow, parking becomes more and more complicated as spaces become more and more illusive! There are several parking garages in the downtown area plus surface parking and in a year, another large parking facility will be built, but Anthony Barkett said "A city without a parking problem is a dead, boring city! People need to get out and walk to really experience the area!"

"The challenge now is to encourage the other players to follow through!"

It gives one confidence and a sense of wonder at the activity now evidenced as we look around our rapidly growing community and the careful scrutiny which is being practiced by these who are at the helm of the new direction for our superior projects. A concerted team effort and forward looking administration, the involvement and active participation of the people, the insightful planning, and delivery on a promise, makes this writer a most enthusiastic supporter of our proud community!



Indicators

Prime Rate: 4.0%

As of December 2003

Source: Federal Reserve Board

Consumer / Producer Price Index

CPI	PPI
Core Rate	Finished Goods
Dec. 180.9	Dec. 139.1

The most widely used measure of inflation, the CPI is an indicator of the effectiveness of government policy. Business executives, labor leaders and other private citizens use the index as a guide for economic decisions.

The Index measures prices of goods at the wholesale level. The market tracks the finished goods index most closely, as it represents prices for goods ready for sale.

San Joaquin Co. Employment Trends

California Employment Development Labor Force and Unemployment Data
Posted December 9, 2003

Monthly labor force data for San Joaquin County (not seasonally adjusted)

2003	Labor Force	Employment	Unemployment	Rate
September	283,200	259,300	23,800	8.4%
October	285,400	259,100	26,300	9.2%
November	283,300	254,300	29,000	10.2%

Stockton's Permit Activity

Figures are for calendar year January 1, 2003 thru December 31, 2003

Residential	YTD Dec 2002	Valuation	YTD Dec 2003	Valuation
Single Family	2,569	\$409,520,985	3,077	\$525,180,041
Multi-Family	31	\$30,428,971	40	\$18,144,870
Adds, Alts, Repairs	1000	\$10,544,205	972	\$10,925,667
TOTALS	3,600	\$450,494,161	4,089	\$554,250,578
Commercial	YTD Dec 2002	Valuation	YTD Dec 2003	Valuation
Industrial	6	\$15,597,915	24	\$16,704,120
Commercial	27	\$31,134,878	74	\$67,461,437
Other Non-Residential	25	\$34,004,866	51	\$20,229,743
Adds, Alts, Repairs	460	\$55,222,326	440	\$83,888,913
TOTALS	518	\$135,959,995	589	\$188,284,213



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